

~~January 17, 2003~~July 17, 2003 |

Changing the Distribution of Appropriated Funds

Background:

As stated in the Director's "U.S. Geological Survey Planning model" document dated October 15, 2001, the annual project planning, review, and approval process will be completed in September of each year. The document states,

"At this point, annual planning is complete and approved, contingent upon appropriate funding for implementation. The Office of Budget verifies alignment between final appropriations and planned funding levels. Final funding allocation by APS and ORS for approved projects will be made within 30 days of enactment of the USGS appropriation by Congress."

For projects approved later in the fiscal year, allocations will be made within 30 days of approval. Projects may have funding from more than one program and projects may be carried out at more than one cost center.

Issue:

Changes to the initial distribution of appropriated funds will likely occur throughout the fiscal year. This issue is one of Bureau management delegation of authority.

Cost center chiefs are delegated the authority to make changes to a project's funding composition after the initial allocation within a prescribed set of guidelines. Cost center chiefs are responsible and accountable to their line manager), and the funding program(s) of the cost center's projects as they execute this delegated authority. Guidelines for making the decision to change initial appropriated funding allocations follow. Also included in this document are the process controls that will be administered by the Fiscal Services offices during the fiscal year. |

Guidelines for Cost Center Chiefs:

Project funding allocations and annual objectives/deliverables should be viewed as a contract between the Cost Center Chief and their line manager and the funding program(s). Cost Center Chiefs are responsible for achieving the objectives as outlined in the project plan, and for tracking your expenditures against each funding source identified in your budget.

USGS program planning guidelines continue to apply. All work funded by a program supports the program's documented goals. All work included in a project is consistent with the project plan and budget documented and approved through BASIS+.

Since Congress appropriates funds for specific programs, **the issue here involves moving money from one project to another, or from one cost center to another, not from one program to another.** Moving money from one program to another falls under the heading of 'reprogramming' and is subject to its own guidelines and procedures. In a few cases, Congress provides guidance about specific projects. In those cases, moving funds from one project to another might be subject to the reprogramming guidelines and procedures.

GUIDING PRINCIPLES

- 1) The ability to track spending by program element must be maintained.
- 2) Cost Center chiefs have flexibility in managing their projects and/or tasks and making adjustments.
- 3) Some changes must be coordinated with regional management and the funding program(s).
- 4) The proposed new use of the funding must clearly be related to the program goals.
- 5) Fiscal Services offices will ensure appropriate oversight mechanisms for use by science managers, through the establishment of new accounts (when necessary) to track any reallocations, assure funds are attached to the correct program element/fund source, and through periodic reports to Program Coordinators and Regional Executives that include changes that have occurred.
- 6) Fiscal Services offices will need to see written concurrence between the Regional Executive and the Program Coordinator before either executes significant (exceeds ~~\$25100~~,000 or ~~2549~~% of total project funding whichever is less) shifts in funding levels and for any changes to goals or deliverables. (~~S~~ee table 1)
- 7) When funding is initially allocated to the Region, with the expectation that later in the fiscal year it will be allocated to a project within the region (e.g. flexibility funding, place based studies core funding), written concurrence by the decision maker will not be required. (See table 1). However, the RD/REX or their designee will work with the servicing Fiscal Services office to insure funds can be properly tracked. Regions are

encouraged to make allocation to projects during the initial allocation of funding.

7)8) It is expected that shifts in funding below significant levels **will be coordinated with the Program Coordinator(s)** but will not require written concurrence. (See table 2) However, cost centers should work with their Fiscal Service Offices to assure funds can be properly tracked.

9) When funding is initially allocated to headquarters with the expectation that later in the fiscal year it will be allocated to a project in the region, written concurrence by the decision maker will not be required. (See table 1). However, the AD/Program Coordinator or their designee will work with the servicing Fiscal Service office to insure funds can be properly tracked. Headquarters is encouraged to make allocation to projects during the initial allocation of funding.

Table 1

Significant Changes After Initial Allocation		
Circumstance	Decision Maker*	
SIGNIFICANT PROJECT FUNDING CHANGES		
Funding change exceeds \$ 25 100,000 or 25 40% of a project's total funding whichever is less.	Regional Executive with concurrence of the Program Coordinator(s) <u>for centers under their line management</u> <u>Associate Director/Deputy Director with concurrence of the Program Coordinator(s) for centers under their line management</u>	
CHANGING GOALS OR DELIVERABLES		
The movement of funds affects the goals and deliverables for the project that were agreed to in the science planning process	Regional Executive with concurrence of the Program Coordinator(s) <u>for centers under their line management</u> <u>Associate Director/Deputy Director with concurrence of the Program Coordinator(s) for centers under their line management</u>	
The movement of funds affects the original Principal Investigator or Co-Principal Investigator	Regional Executive with concurrence of the Program Coordinator(s) <u>for centers under their line management</u> <u>Associate Director/Deputy Director with concurrence of the Program Coordinator(s) for centers under their line management</u>	
<u>FUNDING ALLOCATED TO REGION/HEADQUARTERS ACCOUNT FOR SUBSEQUENT DISTRIBUTION TO A PROJECT</u>		
<u>Funding initially allocated to the Region/HQ with the expectation that the funding will be distributed to projects during the fiscal year. Examples include RD/AD flexibility funding, NAWQA funding, cyclical funds. (Funding thresholds do not apply.)</u>	<u>Regional Director for centers under their line management</u> <u>Associate Director/Deputy Director for centers under their line management</u>	

* Decision Maker may delegate, in writing, individuals authorized to make changes in allocation. They will provide documentation to the servicing Fiscal Services office.

Table 2

Project Funding Changes After Initial Allocation Below Significant Level		
Circumstance	Decision Maker*	
APPROVED PROJECTS		
Funds are going to a different approved project within the same cost center	Cost Center Chief, coordinating with Program Coordinator(s)	
Funds are going to the same or a different approved project, in different cost center and/or different region	Regional Executive(s), coordinating with Program Coordinator(s) <u>for centers under their line management</u> <u>Associate Director/Deputy Director coordinating with the Program Coordinator(s) for centers under their line management</u>	
NEW PROJECTS		
Funds are going to a new project not yet approved in BASIS+ within the same cost center	Regional Executive(s), coordinating with Program Coordinator(s) <u>for centers under their line management</u> <u>Associate Director/Deputy Director coordinating with the Program Coordinator(s) for centers under their line management</u>	
Funds are going to a new project in a different cost center and/or different region	Regional Executive(s) and, as appropriate, the other affected cost center manager(s), coordinating with Program Coordinator(s) <u>for centers under their line management</u> <u>Associate Director/Deputy Director coordinating with the Program Coordinator(s) for centers under their line management</u>	

* Decision Maker may delegate, in writing, individuals authorized to make changes in allocation. They will provide documentation to the servicing Fiscal Services office.

Process: For changes that require written concurrence, Cost Center Chiefs will provide their request for allocation change via an email, fax, or hard copy -to their servicing Fiscal Service office. In the email, the Cost Center Chief will state the reason for the change and that they have consulted with appropriate managers, who will also be copied on the email request. Approval by Regional Executive(s) and Program Coordinators will-may be indicated by an email reply to all with “concur” in the response.

For item 7 and 9 of the guiding principles, effected Regional changes or Headquarters changes should be communicated to the appropriate Office of Fiscal Services staff for changes to the FFS SALT levels and inclusion on the Bureau Allocation Matrix.

The Fiscal Services offices will update the standardized bureau Appropriated Funds Allocation matrices with the change. They will coordinate with the cost center administrative staff to ensure accurate: (1) coding of accounts and (2) balancing of the appropriated funding in BASIS+, for transmitting to the FFS.

Additional reports may need to be created to facilitate the quick review and summarization of completed transactions; however, FFS tables and reports currently exist to validate accurate account coding and funding totals at the program element level.

Fiscal Services offices will provide management reports to regional and headquarters managers on a recurring basis in FY 2003 that will include updated Appropriated Funds Allocation matrices.